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World Production and Trade

United States
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Foreign
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Service

Washington, D.C. 20250

Weekly
Roundup

WR 19-88

May 11, 1988

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

SOVIET UNION'S Spring Grain Seeding Progresses. Small grain and pulse crops for harvest later this year were seeded on 20.6 million hectares as of May 2, according to reports in the Soviet central press on May 9. While this is a significant increase over last year's seeding which was delayed by the late spring, the 1988 early-season figure is not that much less than the average of the corresponding dates of the last five years, as shown below:

Year	Area seeded (million hectares)
1988	20.6
1987	11.4
1986	28.4
1985	21.3
1984	30.1
1983	35.5
1983-87 average	25.3

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OILSEEDS AND PRODUCTS

FRENCH Soybean and Feed Pulse Area Expected Higher. Expanding oilseed production in the European Community (EC) has cut deeply into the import share of the EC oilseed market, and EC feed pulse production (used as an oilseed meal substitute) increased from less than 1 million tons five years ago to an estimated 3.7 million tons in 1987. The import share of the EC oilseed market declined from 97 percent in 1982 to 77 percent in 1987 (protein meal basis).

Oilseed and grain prices in France indicate continued expansion of area planted to soybeans and feed peas. France produced nearly 200,000 tons of soybeans in 1987, or nearly 15 percent of EC soybean output. France also accounts for 40-50 percent of EC feed pulse (feed peas, dried pulses and field beans) production, nearly 50 percent of EC rapeseed output and almost 60 percent of EC sunflowerseed output.

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DAIRY, LIVESTOCK AND POULTRY

Pork Rationing Ends in CHINA. A Chinese agriculture official privately stated that pork rationing in Beijing had stopped being enforced. Other officials said that pork rationing had ended throughout the country, though no official announcement has confirmed this. Pork rationing was implemented in most major cities late last fall in response to a pork shortage which affected much of the country. The pork shortages that led to the rationing did not, however, affect China's ability to supply hogs to its limited export markets (primarily Hong Kong). In fact, the country has had a surplus of hogs for export to Hong Kong, but increases in hog trade between the two countries has been limited by a Chinese export quota.

The discontinuation of rationing shows that Chinese agricultural officials believe the tight pork supply situation is being resolved, and that producers have responded quickly to lower feed prices, higher pork prices and a variety of government incentives to promote greater swine production such as subsidized feed costs. It also is an indication that many urban consumers are willing to pay more for the higher-quality, free market pork instead of enduring the cheaper, fattier meat that has been sold at lower prices in state markets. Pork consumption has traditionally supplied about 80 percent of total animal protein in the Chinese diet.

EC May Propose Butter Quota Reductions. New Zealand has been assured by the United Kingdom (UK) that the UK will advocate the New Zealand point of view if butter quota reductions are proposed by the EC. New Zealand depends on the UK market for a reported 74,500 tons of butter imported into the EC. Any reductions in the EC butter quota could shift New Zealand butter onto the world market, causing a further dampening of world butter prices.

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WEEKLY EXCHANGE RATE DEVELOPMENTS

During the week of May 2, the U.S. dollar was fairly stable against all major currencies.

Currencies	Current	----Percent Change From-----		
	Rate 05/05/88	Week Ago 04/28/88	Month Ago 04/07/88	Year Ago 5/87
Argentina austral	6.1000	4.18	20.91	288.54
Australian dollar	1.3038	-1.11	-3.71	-7.61
Brazilian cruzado	142.2400	5.39	19.96	368.36
Canadian dollar	1.2337	0.30	-1.14	-7.99
South African rand	2.2120	2.97	3.28	10.57
Thai baht	25.1200	0.00	-0.36	-1.83
ECU	0.8085	0.40	-0.12	-5.63
British pound	0.5367	0.62	0.71	-10.55
French franc	5.7275	1.05	0.77	-4.10
West German mark	1.6833	0.87	0.44	-5.82
Japanese yen	124.8000	0.24	-0.65	-11.15
South Korean won	739.9000	-0.05	-1.45	-11.03
New Taiwan dollar	28.5900	-0.03	0.00	-11.41

Exchange rates are spot as of 3 p.m. Eastern Time, May 5.

EXPORT ENHANCEMENT INITIATIVES

The status of USDA's Export Enhancement Program as of May 6, 1988, was as follows in metric tons:

ANNOUNCED INITIATIVES	DATE ANNOUNCED	QUANTITY/RESULTS	
101. Central African Republic wheat	April 28, '88	40,000	
100. Benin wheat flour	April 25, '88	50,000	
99. West Africa frozen poultry (Benin, Cameroon, Cote d'Ivoire, Gabon, Ghana, Guinea, Liberia, Senegal, Sierra Leone, Togo)	April 18, '88	5,000	
98. German Dem. Rep. wheat	April 14, '88	130,000	
97. India wheat	April 13, '88	1,200,000	Sold 1,000,000
96. Peru barley malt	March 31, '88	20,000	
95. Cameroon barley malt	March 25, '88	20,000	
94. Burundi wheat	Feb. 8, '88	10,000	
93. Central American countries barley malt (Costa Rica, El Salvador, Guatemala, Honduras)	Jan. 27, '88	40,000	Sold 2,000
92. Turkey vegetable oil	Jan. 6, '88	80,000	COMPLETE
91. Algeria barley malt	Dec. 30, 87	10,000	sold 3,300

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

90. Iraq barley malt	Dec. 23, '87	5,000	
89. Burundi barley malt	Dec. 16, '87	15,000	
88. Lebanon wheat	Dec. 11, '87	150,000	
87. Finland wheat	Dec. 9, '87	50,000	COMPLETE
	Jan. 21, '88	50,000	Sold 32,500
	March 4, '88	150,000	
86. Mexico wheat	Dec. 2, '87	200,000	COMPLETE
	March 3, '88	600,000	
85. Zaire frozen poultry	Nov. 30, '87	7,000	
84. China dairy cattle	Nov. 18, '87	3,000 head	Sold 185
	April 29, '88		Balance
			withdrawn
83. Bulgaria barley	Nov. 17, '87	150,000	COMPLETE
82. Bulgaria wheat	Nov. 17, '87	150,000	COMPLETE
	Jan. 4, '88	200,000	
81. Gulf countries frozen poultry (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates)	Nov. 3, '87	16,000	Sold 4,022
80. Saudi Arabia frozen poultry	Nov. 3, '87	20,000	Sold 500
79. Hungary barley	Oct. 30, '87	100,000	
78. Algeria vegetable oil	Oct. 22, '87	60,000	COMPLETE
	April 8, '88	60,000	Sold 4,000
77. Morocco vegetable oil	Oct. 13, '87	60,000	Sold 27,000
76. Tunisia vegetable oil	Sept. 24, '87	60,000	COMPLETE
75. Singapore frozen poultry	Sept. 24, '87	2,000	Sold 182.3
74. Near East table eggs (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates, Yemen)	Aug. 27, '87	50 million eggs	COMPLETE
	April 15, '88	60 million eggs	
73. Saudi Arabia dairy cattle	Aug. 27, '87	2,000 head	Sold 1,870 head
	April 29, '88		Balance
			withdrawn
72. Iraq barley	Aug. 10, '87	150,000	COMPLETE
	Dec. 28, '87	100,000	COMPLETE
71. Brazil wheat	July 30, '87	300,000	Sold 66,000
70. Colombia wheat	July 30, '87	300,000	Sold 260,000
69. Israel wheat	May 29, '87	200,000	
	April 18, '88		Withdrawn
68. Bangladesh wheat	May 22, '87	100,000	COMPLETE
	July 8, '87	50,000	COMPLETE
	Aug. 12, '87	150,000	Sold 144,500
	Sept. 10, '87	300,000	

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

67. Soviet Union wheat	Apr. 30, '87	4,000,000	COMPLETE
	Oct. 15, '87	65,000	COMPLETE
	Nov. 9, '87	2,400,000	COMPLETE
	Nov. 27, '87	2,350,000	COMPLETE
	Jan. 29, '88	2,000,000	COMPLETE
	March 18, '88	1,000,000	COMPLETE
	April 4, '88	1,000,000	Sold 989,800
66. Turkey rice	Apr. 3, '87	70,000	COMPLETE
65. Colombia barley malt	Apr. 3, '87	15,000	COMPLETE
64. Iraq table eggs	Feb. 20, '87	189 million eggs	Sold 178 million
	April 22, '88	96 million eggs	
63. Canary Islands poultry	Feb. 9, '87	5,000	COMPLETE
62. Nigeria wheat	Jan. 28, '87	500,000	
61. China wheat	Jan. 26, '87	1,000,000	COMPLETE
	Aug. 18, '87	1,000,000	COMPLETE
	Nov. 17, '87	1,000,000	COMPLETE
	Dec. 11, '87	1,000,000	COMPLETE
	Feb. 5, '88	1,200,000	COMPLETE
	April 5, '88	2,000,000	Sold 740,000
60. Iraq wheat	Jan. 16, '87	800,000	COMPLETE
	Oct. 26, '87	1,000,000	Sold 422,000
59. Switzerland barley or sorghum	Jan. 16, '87	250,000	Sold 9,000
58. Poland wheat	Jan. 7, '87	500,000	COMPLETE
	July 2, '87	500,000	COMPLETE
	Dec. 1, '87	1,000,000	Sold 975,000
	March 22, '88	500,000	
57. Poland barley or sorghum	Dec. 31, '86	200,000	COMPLETE
	Dec. 14, '87	500,000	Sold 159,000
56. Romania wheat	Dec. 23, '86	250,000	
55. Iraq poultry	Dec. 22, '86	60,000	COMPLETE
	Oct. 2, '87	10,000	Sold 5,000
	Nov. 25, '87	30,000	
54. Dominican Republic table eggs	Dec. 9, '86	25 million eggs	Sold 11.1 million eggs
53. Zanzibar wheat flour	Dec. 9, '86	20,000	Sold 6,000
52. Tunisia barley	Dec. 1, '86	150,000	COMPLETE
	March 23, '88	350,000	
51. Gulf countries (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates) dairy cattle	Oct. 30, '86	1,500 head	COMPLETE
	Aug. 27, '87	1,500 head	Sold 24 head
	April 29, '88		Balance withdrawn
50. West Africa (Benin, Burkina Faso, Cameroon, Cote d'Ivoire, Ghana, Gabon, Liberia, Niger, Togo) wheat	Oct. 30, '86	345,000	Sold 200,200
	June 15, '87	185,000	
	Feb. 4, '88	50,000	
49. Dominican Republic poultry	Oct. 29, '86	1,500	COMPLETE
	Jan. 12, '88	2,000	

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

48. Philippines barley malt	Oct. 20, '86	60,000	Sold 46,000
47. Cameroon wheat flour	Oct. 14, '86	20,000	COMPLETE
46. Romania barley	Sept. 24, '86	200,000	Sold 125,000
45. Venezuela barley malt	Sept. 4, '86	100,000	
44. Cyprus barley	Aug. 26, '86	150,000	Sold 130,000
43. Canary Islands wheat	Aug. 8, '86	100,000	Sold 7,300
42. Egypt semolina	Aug. 6, '86	30,000	Sold 23,000
	Sept. 29, 1987		Balance withdrawn
41. Soviet Union wheat	Aug. 1, '86	4,000,000	EXPIRED
40. Canary Is. dairy cattle	July 28, '86	3,000 head	Sold 2,985
	April 29, '88		Balance withdrawn
39. Hong Kong table eggs	July 28, '86	44 million eggs	COMPLETE
	Nov. 16, '87	48 million eggs	COMPLETE
38. Senegal wheat	July 17, '86	100,000	COMPLETE
	Sept. 11, '87	110,000	
37. India vegetable oil	July 8, '86	25,000	COMPLETE
	Dec. 15, '87	300,000	Sold 120,000
36. Jordan barley	June 17, '86	60,000	COMPLETE
	Nov. 12, '86	100,000	
35. Israel barley	June 17, '86	200,000	COMPLETE
	Sept. 14, '87	200,000	COMPLETE (206,200)
	April 27, '88	200,000	Sold 30,000
34. Tunisia dairy cattle	May 29, '86	4,000 head	COMPLETE
33. Algeria dairy cattle	May 29, '86	5,000 head	COMPLETE
32. Sri Lanka wheat	May 16, '86	125,000	COMPLETE
	March 5, '87	95,000	COMPLETE
	Aug. 20, '87	240,000	Sold 140,000
31. Saudi Arabia barley	May 7, '86	500,000	COMPLETE
	Aug. 6, '86	250,000	COMPLETE
	Sept. 16, '86	300,000	COMPLETE
	Oct. 8, '86	200,000	COMPLETE (201,000)
	Jan. 5, '87	1,250,000	COMPLETE
	May 15, '87	500,000	COMPLETE
	Aug. 4, '87	500,000	COMPLETE
	April 18, '88	250,000	
30. Algeria barley	Apr. 17, '86	500,000	COMPLETE
	April 18, '88	200,000	Sold 198,000
29. Morocco dairy cattle	Apr. 16, '86	4,000 head	COMPLETE
	Dec. 8, '87	7,500 head	
	April 29, '88		Balance withdrawn

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

28. Turkey dairy cattle	Apr. 16, '86	5,000 head	COMPLETE
	June 18, '86	5,000 head	COMPLETE
	Nov. 18, '87	10,000 head	
	April 29, '88		Balance withdrawn
27. Egypt dairy cattle	Apr. 16, '86	6,000 head	COMPLETE
	Sept. 12, '86	10,000 head	Sold 3,681
	Oct. 19, '87		Withdrawn
26. Yemen poultry feed	Apr. 14, '86	150,000	Sold 111,468
	Dec. 1, '87	186,500	
25. Yugoslavia wheat	Apr. 10, '86	200,000	COMPLETE
	June 24, '86	200,000	COMPLETE
	Oct. 7, '86	500,000	Sold 417,050
	Oct. 19, '87	500,000	
24. Indonesia dairy cattle	Apr. 9, '86	7,500 head	COMPLETE
	June 18, '87	8,000 head	COMPLETE
	Oct. 5, '87	8,000 head	Sold 4,000
	April 29, '88		Balance withdrawn
23. Syria wheat	Apr. 8, '86	700,000	CANCELED
22. Benin wheat (remaining 15,000 tons transferred to West Africa)	Apr. 7, '86	45,000	COMPLETE
21. Algeria table eggs	Apr. 4, '86	500 million	eggs
	Sept. 29, '87		Withdrawn
20. Iraq dairy cattle	Apr. 4, '86	6,500 head	Sold 6,028
	April 29, '88		Balance withdrawn
19. Jordan wheat	March 19, '86	75,000	COMPLETE
	June 20, '86	75,000	COMPLETE
	Dec. 31, '86	225,000	COMPLETE
	March 2, '86	350,000	
18. Tunisia wheat	March 18, '86	300,000	COMPLETE
	Aug. 22, '86	800,000	Sold 775,000
	Feb. 3, '88	725,000	
17. Algeria wheat flour	Feb. 25, '86	100,000	
	Sept. 29, '87		Withdrawn
16. Algeria semolina	Feb. 11, '86	250,000	Sold 30,000
	Oct. 9, '87	Allocation reduced	COMPLETE
	Oct. 9, '87	50,000	
15. Philippines wheat	Jan. 7, '86	150,000	COMPLETE (152,400)
	Aug. 10, '87	500,000	COMPLETE
	Feb. 11, '88	500,000	270,000
14. Zaire wheat	Dec. 27, '85	35,000	COMPLETE
	May 15, '86	45,000	COMPLETE
	Oct. 10, '86	40,000	COMPLETE
	July 16, '87	80,000	Sold 79,000
	Feb. 4, '88	160,000	

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

13. Nigeria barley malt	Dec. 10, '85	100,000	Sold 93,464
12. Iraq wheat flour	Dec. 9, '85	150,000	COMPLETE
	Jan. 7, '87	175,000	Sold 75,000
11. Egypt poultry	Nov. 26, '85	8,000	COMPLETE
	March 21, '86	15,000	COMPLETE
	June 18, '86	5,000	COMPLETE
	July 8, '86	15,000	COMPLETE
	Dec. 19, '86	25,000	COMPLETE
	Feb. 27, '87	6,000	COMPLETE
10. Zaire wheat flour	Nov. 18, '85	64,000	COMPLETE
	May 15, '86	30,000	COMPLETE
	April 20, '88	45,000	
9. Philippines wheat flour	Nov. 15, '85	100,000	Sold 50,000
	Sept. 29, '87		Balance withdrawn
8. Jordan rice	Nov. 8, '85	40,000	COMPLETE
	Jan. 13, '87	60,000	Sold 13,700
7. Turkey wheat	Oct. 16, '85	500,000	COMPLETE (506,600)
	May 8, '86	500,000	Sold 248,000
6. Morocco wheat	Sept. 30, '85	1,500,000	COMPLETE
	Dec. 9, '86	790,000	COMPLETE
	July 1, '87	500,000	COMPLETE
	Nov. 23, '87	1,500,000	Sold 650,000
5. Yemen wheat	Sept. 6, '85	100,000	COMPLETE
	Jan. 26, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	COMPLETE
4. Yemen wheat flour	Aug. 20, '85	50,000	COMPLETE
	Apr. 14, '86	100,000	COMPLETE
	May 18, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	Sold 16,040
3. Egypt wheat	July 26, '85	500,000	COMPLETE
	Oct. 30, '85	500,000	COMPLETE (512,500)
	June 24, '86	500,000	COMPLETE
	July 29, '86	52,000	COMPLETE
	Oct. 8, '86	1,000,000	COMPLETE
	July 8, '87	500,000	COMPLETE
	Nov. 30, '87	1,000,000	Sold 967,500
2. Egypt wheat flour	July 2, '85	600,000	COMPLETE
	Aug. 6, '86	600,000	Sold 356,000
1. Algeria wheat (ex durum)	June 4, '85	1,000,000	COMPLETE
wheat (ex durum)	Apr. 10, '86	1,000,000	COMPLETE
durum	Nov. 10, '86	300,000	COMPLETE
durum	March 16, '87	300,000	COMPLETE
durum	July 24, '87	300,000	COMPLETE
durum	Oct. 29, '87	300,000	COMPLETE
wheat (all)	Dec. 31, '87	1,000,000	Sold 591,000

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EXPORT ENHANCEMENT PROGRAM SUMMARY

Announced as of May 6, 1988

Announced to Date* 61,512,440 tons grains and products (grain equivalent)
512 million table eggs
232,500 tons frozen poultry
91,181 head dairy cattle
645,000 tons vegetable oil

Sold to Date 40,385,359 tons wheat
2,219,345 tons flour (grain equivalent)
5,639,154 tons barley
72,610 tons semolina (grain equivalent)
213,013 tons barley malt (grain equivalent)
229,000 tons sorghum
123,700 tons rice
111,468 tons poultry feed
376,000 tons vegetable oil
150,223 tons frozen poultry
64,773 head dairy cattle
330,950,820 table eggs

Total Sales Value: \$4,854.2 million
Estimated Bonus Book Value: \$2,872.4 million
Market Value of Awards: \$2,059.4 million

*Does not include withdrawn programs.

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Selected International Prices

Item	: May 10, 1988	: Change from	: A year
	:	: a week ago	: ago
ROTTERDAM PRICES 1/	\$ per MT	\$ per bu.	\$ per MT
Wheat:			\$ per MT
Canadian No. 1 CWRS-13.5%.	156.50	4.26	+0.50
U.S. No. 2 DNS/NS: 14%....	154.00	4.19	+1.00
U.S. No. 2 S.R.W.10/	141.00	3.84	-0-
No. 3 H.A.D.....	180.00	4.90	+2.50
Canadian No. 1 A: Durum...	181.00	4.93	-3.00
Feed grains:			
U.S. No. 3 Yellow Corn....	106.00	2.69	-1.00
Soybeans and Meal:			
U.S. No. 2 Yellow.....	279.90	7.62	+3.55
Brazil 47/48% Soya Pellets	250.00	--	+4.00
U.S. 44% Soybean Meal.....	244.00	--	+1.50
U.S. FARM PRICES 3/			
Wheat	100.30	2.73	-0.37
Barley.....	66.14	1.44	-0-
Corn.....	74.80	1.90	-5.91
Sorghum.....	62.39	2.83 2/	-0.88
Broilers.....	1,242.29	--	+73.19
EC IMPORT LEVIES			
Wheat 5/.....	239.48	6.52	+0.21
Barley.....	218.46	4.76	+0.19
Corn.....	218.63	5.55	+0.19
Sorghum.....	230.28	5.85	+0.20
Broilers 4/ 6/ 8/.....	542.00	--	-12.00
EC INTERVENTION PRICES 7/ 9/			
Common wheat(feed quality)	228.32	6.21	+0.20
Bread wheat (min. quality)	239.43	6.52	+0.21
Maize.....	239.43	6.08	+0.21
Barley and all other feed			
grains, excluding maize.	228.32	--	+0.20
Broilers 4/ 6/.....	1,615.00	--	-2.00
EC EXPORT RESTITUTIONS (subsidies)			
Wheat	128.72	3.50	+0.11
Barley.....	128.41	2.80	+0.11
Broilers 4/ 6/ 8/.....	680.00	--	-3.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ June delivery. N.A.=None authorized. N.Q.=Not quoted. Note: Basis May delivery.

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